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SUBJECT: Ambassador's August 31 Farewell Call on DPM Vu

- 11. (SBU) Summary: During his August 31 farewell call on Deputy Prime Minister Vu Khoan, the Ambassador underlined the importance of bilateral strategic dialogue and urged Vietnam to strengthen law enforcement and related cooperation, take positive steps in the areas of human rights and religious freedom, make efforts to show American companies that Vietnam's market was open, and, in the near-term, respond as soon as possible to our additional WTO questions to facilitate October bilateral trade talks. DPM agreed with the Ambassador about the importance of strategic dialogue, pledged to talk with the Ministry of Public Security about law enforcement cooperation, offered to "pay attention" to special cases of American companies. underlined the differences between the United States and Vietnam on human rights and democracy, and called on USTR to support Vietnam's WTO bid, which would be the biggest bilateral issue in 2005. The DPM also said Vietnam was "working hard" to respond to the latest set of U.S. questions regarding Vietnam's WTO accession. End Summary.
- $\P^2$ . (SBU) The Ambassador, accompanied by Pol/C, paid a farewell call on Deputy Prime Minister Vu Khoan August 31. DPM Khoan opened by expressing his regret that the Ambassador would soon depart and thanking him for nearly three years of hard work in developing the bilateral relationship. The DPM credited the Ambassador with helping to build the legal framework for cooperation in many fields, such as in counternarcotics, agriculture, and aviation. The Ambassador had also helped to strengthen economic and trade relations and defense cooperation between the United States and Vietnam. Of course, things were not always smooth, as there were often differences in the two countries' way of approaching issues. That said, bilateral dialogue had helped to stabilize the relationship and further "great efforts" were needed to continue to build ties between the two countries. The DPM expressed his hope that, in the Ambassador's "new capacity," he would continue to contribute to Vietnam and its relationship with the United States, and asked that he convey to the new ambassador the GVN's desire to continue cooperation.
- (SBU) The Ambassador expressed his appreciation for the DPM's sincere desire to work to improve the bilateral relationship. The United States and Vietnam had made progress because it was something that both sides had wanted. Before arriving in Vietnam, the Ambassador had consulted with senior Department and Congressional leadership, and they had offered encouragement to continue the process of normalization with Vietnam. There had been much progress, but there was also normalization work remaining for the new ambassador and his team. this was not surprising considering the past history of the two countries, the Ambassador said
- 14. (SBU) 2005 would be an important year because it would mark the tenth anniversary of normalization, the Ambassador continued. Many people would use the occasion to examine the relationship. We hoped to have PM Phan Van Khai visit the United States in 2005, and we had given the MFA our thoughts about what could be done to make this a positive The question of Vietnam's WTO accession would also loom large in 2005, and with it a Congressional vote on permanent normal trade relations. This would also be an occasion to focus on the overall relationship, including, but not limited to, trade issues. In short, it would be a challenging year, the Ambassador noted.
- 15. (SBU) The DPM's own visit to the United States earlier in the year had been significant, the Ambassador said. His conversations with the Secretary, APNSA Rice, and DAPNSA Hadley were good and at the strategic level, covering issues related to East Asia, China, and the U.S. role in the region. Even in unofficial meetings, such as with the Council on Foreign Relations, DPM Khoan had had serious conversations, and the United States and Vietnam had not done enough of this in the past. The visit to Vietnam earlier this year of EAP A/S Kelly had helped to continue this level of dialogue. People in Washington welcomed this and were happy that the DPM had been frank regarding

bilateral and other issues. The DPM had helped to spread the message that Vietnam wished the United States to have a more active role in Southeast Asia, a message we had also been hearing from Singapore, the Ambassador observed.

- 16. (SBU) One concrete area in which we had not seen much progress, however, was law enforcement cooperation, the Ambassador said. The counternarcotics agreement was good for facilitating training and similar forms of cooperation, but it did not allow for operational cooperation in which police from both nations worked together. Vietnam's police were still reluctant to work directly with the United States, and they seemed to be similarly chary of working with counterparts from Australia, Germany, and Japan. Related to this was the issue of intelligence sharing. Vietnam had initially expressed some interest, and both sides made some efforts to begin a relationship in this area, but then these efforts stalled. We hoped that it would be possible to do good work together in the areas agreed, such as counterterrorism, counternarcotics, and trafficking in persons, the Ambassador said.
- 17. (SBU) In the areas of trade and economics, the relationship was healthy, the Ambassador noted. However, issues related to human rights and religious freedom remained unresolved. This year and next, it would be good if the GVN could take dramatic and clear actions to respond to our concerns. Similarly, it would be helpful for both Vietnam and the bilateral relationship if Vietnam could win friends among large U.S. companies by showing them that the door to Vietnam's market was open, such as for VINASAT and other substantial projects.
- 18. (SBU) DPM Khoan agreed that bilateral strategic dialogue was very important, and he hoped that the Department and MFA could continue this task. If time allowed, the DPM himself and the Office of the Government were also eager to be involved. Regarding intelligence sharing and related efforts, there had been good cooperation in the area of counterterrorism, but the DPM acknowledged the Ambassador's view and pledged to talk further with the Ministry of Public Security about this matter. Democracy and human rights were two issues about which the United States and Vietnam had different views, but the two sides should nonetheless continue their dialogue for better mutual understanding. It was not a coincidence that the DPM and the GVN had encouraged many delegations, including National Assembly dignitaries, to visit the United States. At the same time, Vietnam gladly welcomed American visitors, such as Senate staffer Frank Jannuzi. Both sides should encourage such contacts and dialogue, the DPM urged.
- 19. (SBU) The DPM agreed that both sides had made good progress in trade and economic relations, but that they had also faced some difficulties, which was normal. Although there was the bilateral trade agreement framework, Vietnam would nonetheless pay attention to the concerns of U.S. companies and remain attentive to "special cases," the DPM said.
- 110. (SBU) The DPM urged the Ambassador to pass on to USTR Zoellick Vietnam's hope for U.S. assistance in the WTO accession process. The Ambassador responded by urging Vietnam to respond to our most recent set of questions as soon as possible to facilitate October bilateral talks. The DPM said that Vietnam was working hard to prepare its responses. Vietnam recognized that U.S. support was key, and was ready to go "further and longer" to win this support. Vietnam did not want the United States to become an obstacle, particularly now that Vietnam had successfully made "arrangements" with other countries. The Ambassador observed that other countries often made their negotiations easy because they knew the talks with the United States would be toughest. The DPM agreed, noting that this was the reason Vietnam paid the most attention to the United States. WTO accession would be the biggest task in U.S.-Vietnam relations in 2005, the DPM concluded.